

MEP.ORG
PROFITABILITY IN
MANUFACTURING

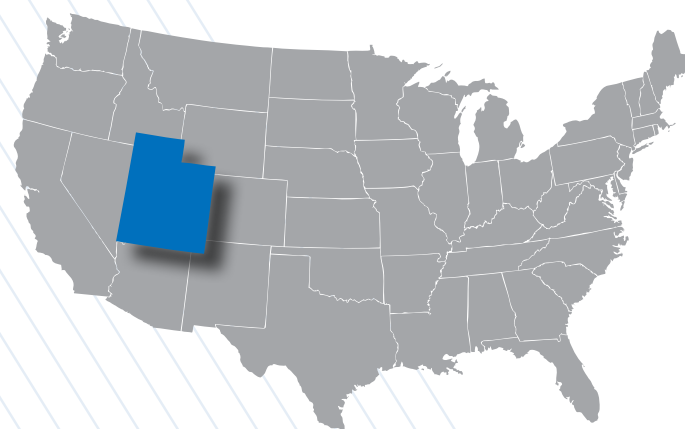


MEP • MANUFACTURING
EXTENSION PARTNERSHIP

Utah Manufacturing Extension Partnership

Utah Manufacturing Extension Partnership (UMEP) is a business dedicated solely to the success of your business. Part of a non-profit network of over 350 business centers, "MEP" was originally developed as an offering from the Department of Commerce through the National Institute of Standards and Technology (NIST). As such, UMEP uses this unique, researched model to offer resources, networking and developmental co-funding opportunities. UMEP works with small and medium-sized businesses throughout Utah to help keep them on track with the resources and training they need to stay profitable. UMEP is funded by a federal, state, local and private sources, and is flexible in what they offer business in order to fully serve their needs.

UMEP's Executive Administrative Team has developed an approach, the 5-P Success Strategy, an architecture, like a rack, that is filled with individual services and resources that the particular business needs in order to not just succeed, but to thrive and grow. After testing and evaluation, a tailored suite of services is created that will help the company overcome its' weaknesses, and begin to increase its' profit margins and revenues.



For more information, contact

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THE MEP NETWORK

Utah MEP CLIENT IMPACTS

Impacts are based on clients receiving service in FY2012

Total Increased/
Retained Sales



\$193.1 Million

Total Increased/
Retained Jobs



1,046

New Client
Investments



\$145.1 Million

CLIENT SUCCESS: MORINDA BIOACTIVES

“James lit the match to a firestorm of change that continued to burn brightly throughout our company.”

Charlie Smith, Vice President, Global Operations

A Lean Start to World Class Transformation

Morinda Bioactives (Formally Tahitian Noni International), is a 16 year old company with annual worldwide sales of several hundred million dollars. They have natural medicinal-based bioactive products in over 70 countries worldwide, with offices in over 40. At its Provo, Utah facility they have 400 employees. Morinda owns their own manufacturing plants in Tahiti, Utah, and China, and partners with several other facilities around the world.

Situation:

As Vice President of Global Operations, Charlie Smith was looking for a better way to use his limited human and financial resources to better handle anticipated sales growth within the company. He knew he needed to increase efficiencies, reduce waste, and increase productivity while ensuring the well-being of his staff. He enlisted the Utah MEP, a NIST MEP affiliate, and lean tools to help with his business objectives. However, Charlie quickly realized that the opportunity was bigger than tools. He saw in MEP's next generation strategies the potential to transform the culture and develop a learning organization.

Solution:

Charlie organized a steering committee to drive the transformation opportunity. The committee handpicked 22 “influencers” from within the organization to participate in year one of MEP's World Class Transformation program. James Petersen, from MEP, transferred knowledge, skill, and ability using the learn, do, teach, approach. Over 200 hours (per influencer) of classroom instruction and hands on practice took place. In addition to this effort, four new classes were formed by creating teachers from the original group of influencers. Over 70 people have been trained in the methodology of continuous improvement and are now leading multiple transformation projects throughout the company.

Results:

- * 16 temporary positions converted to full-time jobs
- * Reduced inventory by \$4M in one year
- * Increased working capital by almost \$2M
- * Enabled employees with skills and ability to continue a world class transformation

Increased working
capital by \$2 million